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Mr. Chairman and Members of the Committee –

My name is Mary Beth Frideres, from the Montana Primary Care Association. We represent Montana's 15 federally-funded **Community Health Centers** that provide primary care (family doctor) care in 37 sites across the state to **100,000 Montanans**.

I am here tonight to talk about Electronic Health Records, \$35M of federal funds available to Montana for implementation of Electronic Health Record systems, and how not being able to use those funds hurts Montana health centers and, therefore, hurts Montana.

1. Implementation of Electronic Health Records is a **vital step toward modernizing the nation's inefficient, paper-clogged health system**. Various studies have indicated that EHRs will **reduce medical errors, reduce redundancy and waste and thereby, reduce health care cost and most importantly, greatly improve the quality of care by assuring timely preventive care measures and facilitating excellent chronic care disease management**.
 - a. Reducing medical errors – have you ever had to decipher a physician's handwriting? With EHR, the doctor checks a medication from a list – legible prescriptions – that alone will save lives!
 - b. Reduce redundancy and waste – no more pulling charts, hunting for charts, and refiling – time and money saved! No lost telephone messages or medication refills on little bits of paper. No repeating tests that have already been done in another setting.
 - c. Improving the quality of care – the record will remind the provider when preventive screening tests should be ordered, health data can be collected on a population of people – diabetics, for example - and care can be compared across the country. Providers can share their successful approaches, called Best Practices, and those can be replicated for better results in more locations.
2. **Community Health Centers are a good deal**. Federal funds come to Montana communities – from Washington, D.C. directly to local governing boards where a majority of the board members must be patients of the clinics.
 - a. **Most of our patients do not make much money** (62% have incomes under 100% of poverty) and most (51%) are uninsured. Many more are underinsured – they have catastrophic policies that do not cover primary care or have large deductibles and/or co-pays. A sliding scale, which is required in a CHC, offers discounts based on family size and income for anything not covered by insurance. That makes care **NOT FREE, but affordable**.
 - b. **CHCs are very effective at keeping the healthcare costs down**. How do they do this? Health Centers help people be well so they need less specialty care, have a medical home so they need less or no ER care, and manage health conditions so that the need for hospitalization is reduced. A 2006 national report lists the estimated annual wasted expenditures on just avoidable ER visits in the state of Montana at \$53M! When people who have little ability to pay go into the hospital, those costs are shifted and this "uncompensated care" ends up

increasing the insurance premiums for everyone who buys health insurance and increases the cost of public programs, like Medicaid, as well.

3. **Health Centers are required to have Electronic Health Record.** The feds knew implementation would be expensive (typically \$45,000 – \$50,000 per provider for the first year) so they promised to help with the cost through these funds. Unfortunately, the use of \$35M (\$5M of which is needed by Montana health centers) has been blocked. Because CHCs serve Montanans who make little money or have no insurance, this puts Montana health centers in a financial bind. **They will have no choice but to curtail access and services in order to comply with federal requirements** and that will cost all of us more.
4. **My last point. Having this technology is important to be able to attract young physicians to practice in Montana.** It is already a struggle to recruit and retain an adequate primary care workforce in Montana's rural areas. Today's medical graduates depend on E H Rs to practice good medicine as they have been trained. If Montana stays in the dark ages of technology, getting docs to practice here will be even more challenging.
5. **Montana Community Health Centers cannot afford a \$5M burden to implement this technology.** On behalf of the Montana Community Health Centers and the good work that they do for our state, we ask you to allow the use of the Federal funds to implement Electronic Health Records.